

*200 Plus Workers Face Draconian Cuts as NYSEG Doubles Profits in 4th Qtr; Cuts Will Hurt Middle Class Families in Southern Tier;Schumer, Hinchey: Draconian Cuts Unfair and Unwarranted*

Washington, DC - Today, U.S. Senator Charles E. Schumer and Congressman Maurice Hinchey announced that they have written a letter to New York State Electric and Gas (NYSEG) and Jose Ignacio Sanchez Galan, the Chairman of the Board of its parent company, Iberdrola, calling on the company to find a workable solution in the ongoing debate over the future of the Kirkwood call center. Originally, NYSEG was threatening to close the call center but the diligent efforts of the employees' union, System Council U-7 IBEW, kept the facility from falling victim to the worst possible outcome. Since moving on from the debate over closure, NYSEG has determined that a round of immediate and draconian cuts to worker salaries and benefits are necessary to keep the Kirkwood center open. Schumer and Hinchey are questioning these cuts in the light of NYSEG's soaring 4th quarter profits.

"The men and women at the Kirkwood call center have worked hard to make the facility a success and they deserve to be treated fairly," Schumer said. "These severe cuts will hurt middle class families and damage the overall economy in the Southern Tier- NYSEG must do better."

"With NYSEG's parent company, Iberdrola S.A., enjoying profits of \$3.8 billion last year, I find it hard to believe that company executives can say with a straight face that more than 200 workers in Kirkwood should have their jobs cut or their salaries chopped in half," Hinchey said. "NYSEG must not just play the role of employer; it must also play the role of honest and fair member of the community and not abandon more than 200 people who have worked their hardest for many years on behalf of this company. A more workable solution must be found because what we've seen so far is unacceptable."

New York State Electric and Gas has a long history in the Southern Tier of New York State. In fact, during the previous reorganization of the company New York elected officials provided critical support to the company's efforts to ensure continuity of energy supply and the protection of valuable New York State jobs. The company has nearly posted near double fourth quarter profits due in large part to the United States Unit Energy East, so the burden of achieving any savings should not be put on backs of ratepayers and workers in New York. It is important to recognize that working families throughout NYSEG's service area are struggling through difficult economic times and significant and abrupt, reductions to their family income could not come at

a worse time for these individuals or the region.

The current economic downturn makes the Kirkwood facility and the jobs it provides all the more important. Over the last months, Kirkwood workers have made tremendous sacrifices in order to save the company money and can do little more without putting the livelihoods of their families at risk. Schumer and Hinchey believe that NYSEG should revisit the matter with the workers union and come to a solution that benefits the workers and the region. The full text of Schumer and Hinchey's letter is below.

March 12, 2010

Mr. Jose Ignacio Sanchez Galan

Chairman/CEO

Iberdrola

C/O

1387 Dryden Road

Ithaca, NY 14850-8810

Dear Mr. Galan:

We write to express our deep concern over the current situation surrounding the New York

State Electric and Gas (NYSEG) call center in Kirkwood, New York. It has been brought to our attention that NYSEG originally intended to shutter this facility, leaving all 200-plus workers without employment. We are also aware that upon the intervention and diligent efforts by members of the System Council U-7 IBEW, a proposal was reached to keep the facility open, but at the cost of significant concessions from its employees.

New York State Electric and Gas has a long history in the Southern Tier of New York State. In fact, during the acquisition of Energy East by Iberdrola, New York elected officials provided critical support to Iberdrola's efforts to ensure continuity of energy supply and the protection of valuable New York State jobs. Iberdrola, has posted near double fourth quarter profits due in large part to the United States Unit Energy East, therefore the burden of achieving company savings should not be put on backs of ratepayers and workers in New York. It is important to recognize that working families throughout NYSEG's service area are struggling to put food on their tables and keep roofs over their heads and significant, abrupt, reductions to the family income could not come at a worse time for these individuals or the region.

These jobs, like all jobs in New York State, are of value and critical to the regional and state economy. We appreciate your willingness to work with leadership of System Council U-7 IBEW to find a solution that permits these jobs to remain in Kirkwood. First and foremost, this facility should remain open and a component of the NYSEG customer service infrastructure in the Southern Tier. Additionally, we ask that additional time and focus is afforded to this process to ensure that the best possible proposal is reached and every consideration is afforded to the plight of those presently employed at the Kirkwood facility. We request today that appropriate members of NYSEG's executive team revisit this matter, work collaboratively with System Council U-7 IBEW, which has already worked so hard on behalf of their members, in order to forge a solution that preserves the jobs and avoids abrupt salary cuts at this facility.

Thank you for your attention to this important matter. If you have any questions or need additional information please contact John Jones in Senator Schumer's Washington, DC office at 202-224-6542 or Dan Lamb in Representative's Hinchey's Office at (607) 773-2768.

Sincerely,

Charles E. Schumer  
Hinchey

Maurice

United States Senator

United States Representative